



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

5/003/052

Michael O. Leavitt  
Governor

Kathleen Clarke  
Executive Director

Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

September 5, 2000

## CERTIFIED RETURN RECEIPT

Z 230 748 242

Jeff Sagers  
Terra Stone  
245 South Orange Street  
Salt Lake City, Utah 84104

Re: Denial of Small Mine Permit Application, Terra Stone, South Pass Project, Box Elder County, Utah

Dear Mr. Sagers:

On August 9, 2000, we notified you of our preliminary decision to deny the small mine permit application received on July 10, 2000, for your South Pass project proposed to be located in Section 27, T13N, R16W, Box Elder County, Utah. This decision was based on the fact that the existing Dove Creek Pass and the proposed South Pass projects are located within two miles of each other, the same type of material will be mined using the same equipment, and will be operated by corporate entities directly controlled by you. Because of our "Related and Neighboring Sites Policy", and advice from our legal counsel, these two operations must be considered one site for permitting purposes.

We provided you an opportunity to request a hearing before the Board of Oil, Gas and Mining if you wanted to protest this decision. We requested that you notify us of your decision within 10 calendar days from your receipt of our letter. We have not received a response from you requesting a hearing; therefore, we are returning your South Pass permit application and your \$100.00 (check #0923) for the permit filing fee.

As was explained in our August 9, 2000 letter, if you wish to expand the existing Dove Creek Pass project, a large mining notice (LMO) must be submitted and approved by the Division prior to expanding beyond the already approved five acre boundary of the Dove Creek Pass project. A large mining notice typically takes a minimum of six to nine months, or longer, to reach final approval.

Z 230 748 242

US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to JEFF SAGERS

TERRA RESOURCES LLC

Street & Number

245 S ORANGE ST

Post Office, State, & ZIP Code

SLC UT 84104

Postage

\$

Certified Fee

Special Delivery Fee

Restricted Delivery Fee

Return Receipt Showing to Whom & Date Delivered

Return Receipt Showing to Whom, Date, & Addressee's Address

TOTAL Postage & Fees

Postmark or Date

PS Form 3800, April 1995

JB DOGM Sagers 9/5/00 S/003/052

UNITED STATES

• Sender

DEPARTMENT OF ENERGY  
DIVISION OF OIL, GAS AND MINING

SEP 8 0 2000

RECEIVED

Page 2  
Jeff Sagers  
September 5, 2000

Please contact me at (801) 538-5286, or Lynn Kunzler of my staff at 538-5310, if you have questions or concerns regarding this letter.

Sincerely,

A handwritten signature in cursive script that reads "D. Wayne Hedberg". The signature is written in dark ink and is positioned above the printed name and title.

D. Wayne Hedberg  
Permit Supervisor  
Minerals Reclamation Program

jb  
Enclosure: 7/10/00 Notice, \$100 check #0923  
cc: Lynn Kunzler, DOGM  
Pam Grubaugh-Littig, DOGM  
o:\terrastone-deny-ltr

Form MR-SMO  
(Revised 5/11/2000)

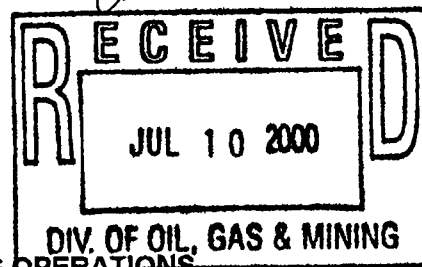
This Section for DOGM Use:

Assigned DOGM File No.: S /

DOGM Lead:

*Permit Denied*  
*Returned to operator 9/15/00 along w/ check*  
*Permit Fee Paid*  
*ck # 0923*

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
1594 West North Temple Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5291  
Fax: (801) 359-3940



# NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

"Small Mining Operations" means mining operations which disturb five or less surface acres at any given time.

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## I. GENERAL INFORMATION (Rule R647-3-104)

- Name of Mine: South Pass
- Name of Operator/Applicant: Terra Stone  
Company ☒ Corporation ( ) Partnership ( ) Individual ( )
- Permanent Address: 245 So Orange Street  
City: Salt Lake City State: UT Zip Code: 84104  
Telephone Number: (801) 977-0380 Fax: 801-977-9989
- Ownership of Land Surface:

Private (Fee) ☒ Public Domain (BLM) ☐ National Forest (USFS) ☐  
State Trust Land/School Sections ☒ State Sovereign Lands ☐  
Other (please describe): \_\_\_\_\_

Name Max Kunzler Address Prossett, Utah  
Name \_\_\_\_\_ Address \_\_\_\_\_  
Name \_\_\_\_\_ Address \_\_\_\_\_  
Name \_\_\_\_\_ Address \_\_\_\_\_



Form MR-SMO

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5. Ownership of Minerals:

Private (Fee) ☐ Public Domain (BLM) ☐ National Forest (USFS) ☐  
State Trust Land/School Sections ☒ State Sovereign Lands ☐  
Other (please describe): \_\_\_\_\_

Name \_\_\_\_\_ Address \_\_\_\_\_  
Name \_\_\_\_\_ Address \_\_\_\_\_  
Name \_\_\_\_\_ Address \_\_\_\_\_  
Name \_\_\_\_\_ Address \_\_\_\_\_

Utah Mining Claim Number(s): \_\_\_\_\_

Utah State Lease Number(s): 46649Name of Lessee(s) Jeffrey L. Sagers

6. Have the above surface and mineral owners been notified in writing?  
Yes ☒ No ☐

If no, why not? \_\_\_\_\_

*Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration prior to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.*

7. Does the operator have legal right to enter and conduct mining operations on the land covered by this notice? Yes ☒ No ☐

II. PROJECT LOCATION & MAP (Rule R647-3-105)

1. Project Location (legal description):

County(ies): Box Elder

NW 1/4, of \_\_\_\_\_ 1/4, of \_\_\_\_\_ 1/4: Section: 27 Township: 13N Range: 16W  
\_\_\_\_\_ 1/4, of \_\_\_\_\_ 1/4, of \_\_\_\_\_ 1/4: Section: \_\_\_\_\_ Township: \_\_\_\_\_ Range: \_\_\_\_\_  
\_\_\_\_\_ 1/4, of \_\_\_\_\_ 1/4, of \_\_\_\_\_ 1/4: Section: \_\_\_\_\_ Township: \_\_\_\_\_ Range: \_\_\_\_\_

UTM East \_\_\_\_\_ (if known) UTM North \_\_\_\_\_ (if known)

Name of Quad Map for Location Lynn Reservoir

2. A topographic base map showing the location of the proposed small mining operation must be submitted with this notice. A USGS 7.5 minute series map is preferred. The areas to be disturbed should be plotted in sufficient detail so that they can be located on the ground. It is recommended that the operator also photo document, plot and label any pre-existing disturbances in the immediate vicinity that he is not responsible for.



Form MR-SMO

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3. The proposed (5 acre or less) disturbed area boundary (including access/haul roads) **must** be marked in the field ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers must be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

### III. OPERATION PLAN (Rule R647-3-106)

1. Type of mining: Surface ☒ Underground ☐
2. Mineral(s) to be mined: Quartzite
3. Will any water, liquid chemicals, reagents, or other solutions be used, produced or discharged as part of the mining or milling process?  
Yes ☐ No ☒ If yes, please describe (add extra pages if needed) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
4. Provide a brief description of the proposed mining operation and onsite processing facilities (add extra pages if necessary). Mining will be conducted by a truck hoe, and material moved to splitter via front end loader  
\_\_\_\_\_  
\_\_\_\_\_
5. ☐ New Road(s): Length \_\_\_\_\_ (ft) Width \_\_\_\_\_ (ft)
6. ☒ Improved Road(s): Length 300 (ft) Width 10 (ft)
7. Total project surface acreage to be disturbed: 5 (acres)
8. Proposed startup date of project (month, year) immediately
9. Proposed completion date of project, if known (month, year) Not Known

### IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover. To accomplish this, the operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining:

1. Keep the mining operation in a safe, clean, and environmentally stable condition.
2. Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
3. Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
4. Construct berms, fences, or barriers, when needed, above highwalls and excavations.
5. Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.

Form MR-SMO

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6. Remove all waste or debris from stream channels.
7. Dispose of any trash, scrap metal, wood, machinery, and buildings.
8. Conduct mining activities so as to minimize erosion and control sediment.
9. Reclaim all roads that are not part of a permanent transportation system.
10. Stockpile topsoil and suitable overburden prior to mining.
11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
12. Properly prepare seedbed to a depth of six inches by ripping, discing, or harrowing.
13. Reseed disturbed areas with adaptable species. (The Division recommends seeding 20 lbs./acre of native and introduced species of grass, forb, and browse seed, and will provide a specific species list if requested.)
14. Plant the seed with a rangeland or farm drill, or if broadcast seeded, harrow or rake the seed 1/4-1/2 inch into the soil - fall is the preferred time to seed.

V. VARIANCE REQUEST (Rule R647-3-110)

Yes ☐No ☒

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above, should be identified below and justification given for the variance request(s).

<u>Item Number</u>	<u>Variance Request Justification</u>

VI. PERMIT FEE [Mined Land Reclamation Act 40-8-7(I)]

The Utah Mined Land Reclamation Act of 1975 [40-8-7 (I)] provides the authority for the assessment of permitting fees. Commencing with the 1998 fiscal year (July 1 - June 30), permit fees are assessed to new and existing notices of intention and annually thereafter.

**Small Mining Notices require a \$100.00 fee which must accompany this application.**

VII. SIGNATURE REQUIREMENT

I hereby commit to conduct mining operations and to reclaim the aforementioned small mine as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.

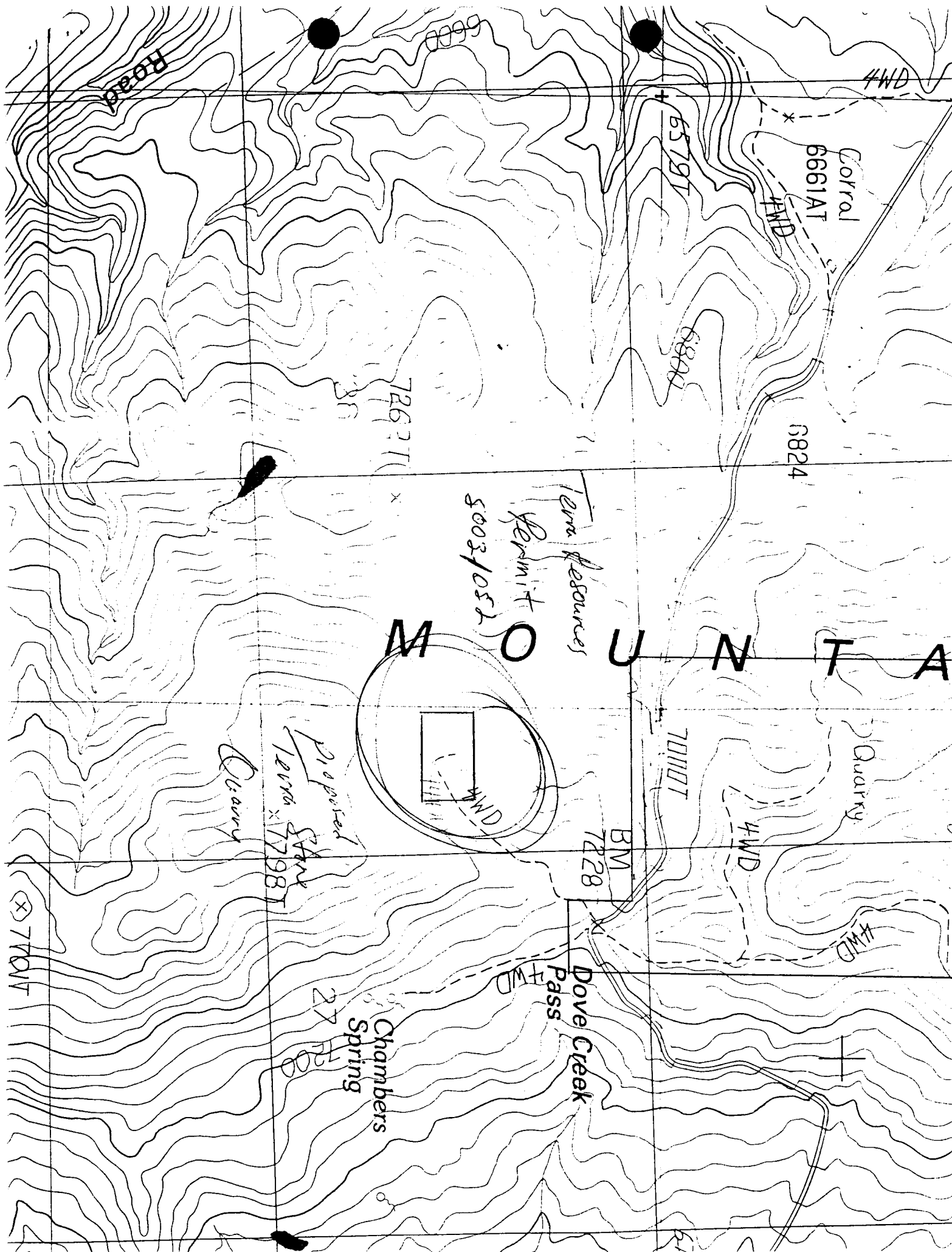
Signature of Operator/Applicant:

Name (typed or printed):

Title/Position (if applicable):

Date:

Teffrey L. Eagers  
Teffrey L. Eagers  
Owner  
6/26/00



Road

4WD

Corral  
6661AT

4WD

65797

6804

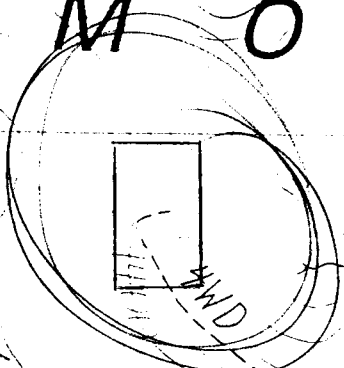
6824

72627

Permit  
5003/052

MOUNTAIN

Land Resources



Quarry

4WD

701107

BM  
7228

4WD

Dove Creek  
Pass

4WD

Chambers  
Spring

27

Proposed  
State Land  
17987

Clearing

77017